(c) The accumulated losses of the Rourkela Fertilizer Plant as on 31.3.2002 amounted to Rs. 317.26 crore.

Distortions in fertilizer sector

2389. SHRI PREM CHAND GUPTA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that Government have moved one step closer to removing distortions in the fertilizer sector, with the Group of Ministers finalizing the broad parameters of a new fertilizer policy;

(b) whether Rs.6,500 crore fertilizer subsidy is a matter of concern and an urgent need for reforms in this sector is imperative; and

(c) if so, what are Government plans in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI TAPAN SIKDAR): (a) to (c) The Government had constituted a Group of Ministers (GOM) to examine, *inter-alia*, the Expenditure Reforms Commission's Report on rationalizing fertilizer subsidies and give its recommendations. Based on GOM's recommendations, the Government is in process of formulating a new pricing policy for urea units keeping in view the recommendations of Expenditure Reforms Commission for replacing the existing Retention Price Scheme. The proposed new pricing policy for urea units will aim at greater transparency, efficiency and uniformity in subsidy disbursement to urea units and will also induce them to take cost reduction meansure on their own to the competitive.

Bid for NFL by IFFCO and KRIBHCO

2390. SHRI HARENDRA SINGH MALIK: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Minister of Chemicals and Fertilizers has urged the P.M. to allow Co-operative Sector Companies, namely IFFCO and KRIBHCO, to bid for National Fertilizer Limited;

(b) if so, the details in this regard; and

(c) the reaction of Government on his recommendation, so far?